initial public offer, SEBI has introduced requirements of a track record of distributable profits for at least three years out of the immediately preceding five years and a pre-issue net worth of Rs one crore in three out of the preceding five years with the minimum net worth to be met during the immediately preceding two years. If a company does not satisfy the requirement as stated above, it can make a public issue through appraisal route and the appraising agency has to participate to the extent of a minimum of 10% of the project cost by way of loan or equity.

Raising of Funds by SBI Through Shares

*332. SHRI GURUDAS DAS GUPTA:
SHRI J. CHITHARANJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Bank of India (SBI) propose to raise Rs. 3000 to 4000 crores through fresh offer of shares by July-August, 2000 with a view to bring down Government's holding in the Bank to around 40 per cent; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) Government of India does not hold equity in State Bank of India (SBI). The Reserve Bank of India (RBI) holds 59.73 per cent of the equity in SBI. Under the existing statutory provisions, RBI share holding in SBI cannot go below 55 per cent. It has been reported by SBI that there is no specific proposal presently under consideration of SBI for increasing the capital of the bank.

(b) Does not arise.

Financial crisis in Hindustan Shipyard Ltd.

*333. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether the State Government of Andhra Pradesh has requested for shipbuilding orders for Hindustan Shipyard Ltd. And also for releasing Rs. 30 crores per annum for the next three years to

meet the salaries^vages of its employees till its order book position improves; and

(b) if so, the steps taken to save the Hindustan Shipyard Ltd. From financial crisis?

THE MINISTER OF SURFACE TRANSPORT (SHRI RAJNATH SINGH): (a) Yes, Sir.

(b) Hindustan Shipyard Limited has been able to improve order book position by taking steps such as resorting to aggressive marketing, increasing ship repair turn over, rationalisation of manpower, phasing out unproductive expenditure and reducing overheads. Government has been extending its support to the shipyard in procurement of orders. Government of Andhra Pradesh has been requested to consider waiver of sales tax for a period of 5 years.

Airport at Hassan (Karnataka)

*334. SHRI H.K. JAVARE GOWDA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the project for an airport at Hassan (Karnataka) was inaugurated around 2 years back but the work has yet to be taken up after land acquisition;

(b) the details of the amount and the time schedule to complete the project; and

(c) by what time the project will be completed in view of the present speed of implementation?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) The foundation stone was laid on 23.8.1996 for development of airport at Hassan.

(b) and (c) The Planning Commission was approached to provide budgetary support, however, the same was not forthcoming. As per the Policy on Airport Infrastructure, no green field airport is allowed within an aerial distance of 150 kms. of an existing airport. Mangalore and Bangalore airports are located at a distance of 111) kms. and 150 kms. respectively from Hassan.